GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:3846
ANSWERED ON:13.12.2002
FUNCTIONING OF REVENUE DEPARTMENT
GANGASANDRA SIDDAPPA BASAVARAJ

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a)the steps being taken to tone up revenue administration by making it more transparent;

(b)whether the Government propose to curtail discretionary powers vesting with Income Tax Officers in the matter of refunds and issue of clearance certificates;

(c)if so, whether the Government also propose to curtail the discretionary powers vesting with the Central Excise Department in the matter of imposing penalties and interest; and

(d)if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN)
(a): The steps in question include periodic review of and amendments to the laws, specially at the time of the annual budget exercise, to increase transparency and reduce discretion, increasing use of information technology to reduce the interface of the public with the Revenue officials, issuance of instructions to the field formations to release refunds quickly, strengthening of the vigilance set-up, selectivity in posting officers to sensitive charges, etc.
(b): The power to withhold refunds has been withdrawn. The requirement of clearance certificate under section 230A of the Income Tax Act, 1961 for registration of transfer of immovable property valued at more than Rs.5 lakh has also been abolished by the Finance Act, 2001.
(c) & (d): Charging of interest is non-discretionary and the statute provides for imposing mandatory penalty in certain situations. No proposal to curtail the discretionary powers of Central Excise Officers in imposing penalties under the law is under consideration at present.